

1. PROGRAM SUMMARY

NCDIT's Broadband Infrastructure Office (the Office) is issuing this guidance regarding the new Completing Access to Broadband (CAB) Program established by Section 38.6 of [Session Law 2021-180](#).

Within the Office, this program is one of three primary broadband infrastructure programs utilizing American Rescue Plan Act (ARPA) funds to deploy last-mile broadband infrastructure to unserved and underserved households and businesses within North Carolina. The programs include the Growing Rural Economies with Access to Technology (GREAT) Grant Program; the CAB Program, and the Stop Gap Solutions Program.

The GREAT Grant Program provides incentive funds to broadband providers to deploy infrastructure to unserved locations in North Carolina. The Office launched the ARPA-funded GREAT Grant Program round in January 2022 and will announce awards in summer 2022. Identifying unserved locations to be served by the GREAT Grant Program will help define eligible areas for the CAB Program.

The CAB Program is a competitive bidding program that provides an opportunity for individual North Carolina county governments to partner with NCDIT to fund broadband infrastructure projects in unserved and underserved areas of each county. The Program is codified in N.C.G.S. § 143B-1373.1, established by S.L. 2021-180, and amended by S.L. 2022-6.

The Office has developed Part I of the program guidelines for N.C. county governments that intend to partner with NCDIT on this program, as well as for broadband service providers that are interested in participating. The Office has developed these Part I guidelines based on the enabling legislation for the CAB Program and applicable federal guidance to outline the general parameters of the program. The Office will release Part II of the guidance document in the coming months; Part II will focus on the competitive bidding process and implementation of the program.

Key definitions as defined in legislation for the CAB program may be found within the relevant sections of the document.

A. Funding Source and Availability

Session Law 2021-180 appropriated \$400 million of ARPA funds for the CAB Program and established the CAB Fund in the N.C. Department of Information Technology. N.C. [Session Law 2021-180](#) and the corresponding appropriations committee report established the use of Coronavirus State Fiscal Recovery Funds (SFRF) for this program, and the use of the Coronavirus Capital Projects Funds (CPF) from the American Rescue Plan Act of 2021 for use in the GREAT and Stop Gap Programs.

[Session Law 2022-6](#) allows the Department flexibility to transfer funding between the Office's three primary infrastructure programs – the GREAT Grant Program, the CAB Program and the Stop Gap Solutions Program. With this flexibility, the Department plans to utilize both Coronavirus Capital Projects Funds (CPF) and State Fiscal Recovery Funds (SFRF) to make up the \$400 million allocation for CAB.

The Office will administer these funds in accordance with the requirements of State law and the [U.S. SFRF Treasury Guidance](#), such as the [Final Rule](#), [the FAQs](#), and [the Compliance and Reporting Guidance](#) or [US CPF Treasury Guidance](#) and [the CPF FAQs](#). Both sources of funds will follow compliance requirements of the [Uniform Guidance \(2 CFR 200\)](#).

In general, the Office plans to utilize and exhaust State Fiscal Recovery Funds for CAB projects first and will use Capital Projects Funds for remaining county CAB projects. The Office will confirm the funding source with county partners and bidders in any Request for Proposals or solicitation

documents prior to any solicitation. All bidders accepting awards must adhere to all relevant federal compliance requirements.

B. Participating Counties

The CAB Program creates a partnership between NCDIT (and the Office) and any county that wishes to participate. All counties are encouraged to consider these individual partnerships with the State to take advantage of this opportunity.

Counties that participate in the CAB Program must provide matching funds for the projects, using ARPA (P.L. 117-2) funds or nonrestricted general funds as their source of matching funds.

Eligible Counties: All counties within North Carolina are eligible for participation in the CAB Program, with the following legislation exception: A county that has utilized federal funding for broadband infrastructure projects on or after May 1, 2021, with the exception of funds expended under the CAB Program or the GREAT Grant Program, shall be ineligible for participation in the CAB Program. There are no tier designations associated with the CAB Program.

The legislation requires the Office to give funding priority to counties receiving less than an aggregate of \$8 million in ARPA funds allocated from the federal government directly to the participating county.

Nothing within the CAB Program or this guidance document shall be deemed to grant authority for a county to own, operate, or otherwise control broadband infrastructure contracted under this program.

C. CAB Projects

The Office, in partnership with counties, is developing a competitive process for broadband providers to bid on broadband infrastructure deployments. Participating counties will work with the Office to identify eligible project areas and procure the construction, installation, and operation of broadband infrastructure in the targeted project areas. Projects require matching investments from counties and the selected broadband service providers.

A project area is defined in the CAB legislation as an eligible area that is jointly determined by a requesting county and the Office as requiring project funding under the CAB Program to further complete the deployment of broadband service in the county.

A county that participates in this partnership program with the Office may request funding under this section for either:

- a defined eligible project area that is mutually identified by the county and the Office, or
- a GREAT Grant project that was not awarded a grant in the [2021-2022 GREAT Grant Program](#). ([See Section 4](#) for additional details on this process.)

Consistent with the U.S. Treasury rules, funds must be obligated by Dec. 31, 2024, with all funds expended by Dec. 31, 2026. Individual project awards may have shorter deadlines for completion.

1. Definition of Infrastructure and Infrastructure Costs

The CAB Program is designed to fund infrastructure builds to unserved and underserved areas. Monies awarded from the CAB Fund shall be used for infrastructure and infrastructure costs, as those terms are defined in G.S.143B-1373(a). Infrastructure must meet the required speed thresholds as defined below. In addition, in line with priorities under the federal funding rules, investments in fiber may receive priority within the evaluation criteria for any CAB projects.

versions of cable system technology (DOCSIS 2.0 or earlier), and other factors related to the services to be provided by the project. In addition, recipients may consider the actual experience of current broadband customers when making their determinations; whether there is a provider serving the area that advertises or otherwise claims to offer broadband at a given speed is not dispositive.”

D. The CAB Fund & Required Matching Funds

3. The CAB Fund

The CAB Fund is a special revenue fund established by legislation in the N.C. Department of Information Technology. Dollars within this fund consist of SFRF and CPF funds appropriated to the CAB Program. No county may receive more than \$4 million dollars in aggregate funding from the CAB Fund in any single fiscal year.

4. Eligible Project Costs

As noted under Definition of Infrastructure and Infrastructure Costs ([see Section 1.C.1](#)), monies awarded from the CAB Fund shall be used for infrastructure and infrastructure costs, as those terms are defined in G.S.143B-1373(a).

Funding for CAB Projects may include costs directly related to the construction of broadband infrastructure and does not include overhead or administrative costs. These eligible project costs apply to CAB Funds awarded to CAB Program projects, as well as to all matching funds provided by the broadband provider and the county. In addition, grant and matching funds can only support project costs in the approved project area.

Project funds (from the CAB Fund and match) should be utilized for the deployment phase of the project, not the subsequent years of service. Eligible costs do not include recurring operating costs or maintenance, or sales and marketing of services.

5. Required Matching Funds

CAB Program projects require funding from three sources:

- the CAB Fund (which provides the State’s portion of the funding)
- the broadband provider selected for the project, and
- the participating local county government.

Matching fund requirements for the CAB Program are not related to scoring as they are under the GREAT Grant Program.

The percentage of matching funds required for the broadband provider and for the county varies depending on the amount of federal ARPA funds allocated from the federal government directly to the participating county. In-kind contributions are not eligible to satisfy the match requirement. All matching funds must be consistent with the terms and conditions of the CAB Program agreement. The match can only be used for the eligible activities in the program and within the timeframe of the agreement.

Matching fund requirements are set in the CAB legislation and are separated into the categories below:

a) Counties receiving \$8 million or more in ARPA funding:

Responsibilities for the total estimated project cost are below:

Direct ARPA Funds Received by County	Broadband Provider Responsibility	County Responsibility	State Responsibility
\$8 million or more	Up to 30%	At least 35%	Up to 35%

b) Counties receiving less than an aggregate of \$8 million in ARPA funding:

For a county receiving from the federal government less than an aggregate of \$8 million in federal ARPA (P.L. 117-2) funds, a broadband service provider selected for a project shall provide not less than 15 percent of the total estimated project cost. If a broadband service provider provides more than 15 percent of the total estimated project cost, the State and county cost responsibilities shall be equally apportioned.

The counties that are eligible for this category and the match requirements will be divided into sub-categories based on the amount of ARPA funds received by the county and match provided by the broadband provider. Matching fund requirements in this section are separated into the following sub-categories:

i. Sub-Category 1 – Counties receiving \$4 million to \$8 million in ARPA funding and the Broadband Provider Match is exactly 15 percent.

Responsibilities for the total estimated project cost are below:

Direct ARPA Funds Received by County	For Broadband Provider Match of:	County Responsibility is:	State Responsibility is:
\$4 million to \$8 million	15% exactly	10%, minimum	Up to 75%

ii. Sub-Category 2 - Counties receiving \$4 million to \$8 million in ARPA funding and the Broadband Provider Match is more than 15 percent.

Responsibilities for the total estimated project cost are below:

Direct ARPA Funds Received by County	For Broadband Provider Match of:	County Responsibility is:	State Responsibility is:
\$4 million to \$8 million	More than 15%	Half of remaining balance	Half of remaining balance

iii. Sub-Category 3 - Counties receiving \$250,000 to \$4 million in ARPA funding and the Broadband Provider Match is exactly 15 percent.

Responsibilities for the total estimated project cost are below:

Direct ARPA Funds Received by County	For Broadband Provider Match of:	County Responsibility is:	Then the State Responsibility is:
\$250,000 to \$4 million	15% exactly	5%, minimum	Up to 80%

iv. Sub-Category 4 – Counties receiving \$250,000 to \$4 million in ARPA funding and the Broadband Provider Match is more than 15 percent.

Responsibilities for the total estimated project cost are below:

Direct ARPA Funds Received by County	For Broadband Provider Match of:	County Responsibility is:	Then the State Responsibility is:
\$250,000 to \$4 million	More than 15%	Half of remaining balance	Half of remaining balance

6. Estimated CAB Project Costs

As competitive bids are developed for individual counties, project costs and project sizes can be better defined based on the amount of direct ARPA funds received by that county and the amount of funding the county has available to invest in the project. Competitive bids for individual counties should take these factors into account to estimate the potential total amount of funding available from the State and county for that area.

Notwithstanding the funding combinations included in the matching requirements section above, in the event CAB Fund monies are insufficient to fund a project, a county may increase its share of the total estimated project cost. Alternatively, the Office may adjust the scope of the project to meet the level of available funding.

As stated previously in this guidance document, per legislation, the maximum investment available from the State from the CAB Fund is \$4 million in a fiscal year. Depending on the number of counties that choose to participate in the CAB Program, the Office will determine as the program moves forward whether any counties may be considered in a future fiscal year for additional funding beyond this initial maximum of \$4 million.

While there are too many variables to provide a definitive project size statewide, an example project size for a county receiving \$8 million or more in ARPA funding could be as follows:

Example: Responsibilities for a total estimated project cost of \$12 million:

	<i>ISP Responsibility</i>	<i>County Responsibility</i>	<i>State Responsibility</i>
<i>Required %:</i>	<i>Up to 30%</i>	<i>At least 35%</i>	<i>Up to 35%</i>
<i>Amount Contributed:</i>	<i>\$3.6 million</i>	<i>\$4.4 million</i>	<i>\$4 million</i>
<i>Actual Percentage:</i>	<i>30%</i>	<i>36.67%</i>	<i>33.33%</i>

Because the State maximum is \$4 million, the State could only contribute 33.33 percent, and the County would need to contribute 36.67 percent.

7. Coordination of Funding

Once a project has been bid, awarded and an agreement executed with a broadband service provider, the county shall provide its portion of the total project costs to the Office. This funding will be combined with CAB Funds awarded for the project and placed in a separate project account. Matching funds comprising the contribution from the broadband provider stay with the broadband provider.

Once a project is contracted and implementation has begun, the Office shall disburse funds from the project account to the broadband service provider on a reimbursement basis, upon completion of established benchmarks in the project agreement. The percentage of matching funds required for contribution by the broadband provider must be maintained throughout the project as costs are incurred and reported.

E. Awards and Grant Agreements

The secretary of NCDIT may award grants from the CAB Fund for projects meeting the criteria established under legislation and within this guidance document.

A broadband service provider selected for a project shall enter into an agreement with the Office that shall include the project description, timelines, benchmarks, proposed broadband speeds, and any other information and documentation the Office deems necessary. All proposed broadband speeds must meet or exceed the federal guidelines for use of ARPA (P.L. 117-2) funds.

The Office shall provide project oversight, and upon completion of established benchmarks in the project agreement, the Office shall disburse funds from the project account to the broadband service provider.

2. ELIGIBLE PROJECT AREAS

CAB Program projects must deploy broadband infrastructure to **unserved** and **underserved** households and businesses at specific locations. Counties choosing to participate in the CAB Program will work with the Office to mutually identify eligible project areas and develop the scope of work for the deployment of broadband infrastructure in the targeted project areas.

The following definitions from legislation are relevant in determining project areas: **Broadband Service, Eligible Area, Project Area, Unserved or Underserved.**

- **Broadband Service:** For the purposes of the CAB Program: terrestrially deployed internet access service with transmission speeds of at least 25 megabits per second (MBPS) download and at least 3 megabits per second upload (25:3). Terrestrially deployed technologies are generally understood to include wired infrastructure (such as fiber, coax, copper) and fixed wireless. In assessing the delivery of transmission speeds for purposes of defining unserved areas, the federal definition of “reliably”, within the American Rescue Plan Act’s broadband funding, should also be considered. Areas where broadband transmission speeds are not delivered reliably, may be considered unserved.
- **Eligible Area:** An area that is unserved or underserved in a county. A county that has utilized federal funding for broadband infrastructure projects on or after May 1, 2021, is not eligible.
- **Project Area:** An eligible area that is jointly determined by a requesting county and the Broadband Infrastructure Office within the N.C. Department of Information Technology as requiring project funding under the CAB Program to further complete the deployment of broadband service in the county.
- **Unserved or underserved:** A location within a county that has no deployment of broadband service or that has internet access service that does not meet the definition of broadband service. Areas where a private provider has been designated to receive funds through other State or federally funded programs designed specifically for broadband deployment shall be considered served if such funding is intended to result in construction of broadband in the area within 18 months or for the duration of the federal funding program for that area, or if the

funding recipient is otherwise in good standing with the funding agency's regulations governing the funding program.

The CAB program is a competitive bidding program. In developing projects in eligible areas/project areas, the following criteria must be considered:

- Projects *must* make service available to *unserved* areas (meaning locations unserved with terrestrial broadband of at least 25 Mbps download and 3 Mbps upload).
- Projects *may* make service available to areas *underserved* with broadband, provided that all identified eligible *unserved* locations in the county are included in the overall project as the primary priority.

Because North Carolina legislation does not currently have a clear definition of underserved and because the U.S. Treasury guidance under the SFRF and CPF programs, which are funding the CAB Program, encourage prioritization of projects that are designed to provide service to households and businesses not currently served by a wireline connection that reliably delivers at least 100:20 Mbps; the Office recognizes locations unserved with terrestrial broadband of at least 100 Mbps download and 20 Mbps upload as underserved for the purposes of this section.

- Projects must be in eligible counties or eligible areas of counties.
- Projects cannot fall in designated ineligible or protected areas.

Ineligible Areas/Protected Areas

Areas where a private provider has been designated to receive funds through other State- or federally funded programs designed specifically for broadband deployment shall be considered served:

- if such funding is intended to result in construction of broadband in the area within 18 months,
- or for the duration of the federal funding program for that area,
- or if the funding recipient is otherwise in good standing with the funding agency's regulations governing the funding program.

Projects cannot be located in an ineligible or "protected" area. Selection of project areas for the CAB Program are subject to the protections provided in G.S.143B-1373(c). The protected area process is described below as outlined in legislation:

A private provider receiving State or federal funds to deploy broadband service in unserved areas may qualify such area for protection by submitting a listing of the census blocks, or portions thereof, comprising the State or federally funded project areas in a manner prescribed by the Office. The Office shall only utilize this data to update maps of census blocks to reflect these census blocks, or portions thereof, as being served. Failure on the part of a provider to submit the listing of census blocks by the cutoff date shall result in those areas being eligible for inclusion under the GREAT Grant program during subsequent program years. The Office shall use the census block data provided only for mapping of unserved areas.

A project area shall remain protected for a period of 18 months from the submission of the listing information; provided a private provider that has received protection for a project area submits written documentation by April 30 of the year following the program year that broadband deployment has begun, been completed, or is otherwise in good standing in the census blocks, or portions thereof, that have been deemed ineligible by the Office. Upon submission of documentation satisfactory to the Office, a protected project area shall remain protected until project completion. A project area where a private provider has forfeited or otherwise defaulted on an agreement in connection with receipt of funds to deploy broadband service shall be eligible for inclusion in this program in subsequent program years. Information provided to the Office pursuant to this subdivision is not a public record, as that term is defined in N.C.G.S. Chapter 132-1.

The Office accepts the available information and may not verify the accuracy of information provided by other grant or funding programs or sources. Failure on the part of a provider to submit the relevant project areas may result in those areas being eligible for funding. The Office may also compile publicly available data on award areas, as well as previous grant awards from the Office, within this dataset. These ineligible or protected areas are part of the ineligible data layer within the CAB Planning Tool.

Planning Your Project Areas

Projects must serve specific unserved or underserved locations (households or businesses). All competitive bid responses will need to utilize the CAB Planning Tool and locations will be required to be mapped utilizing the NC Statewide Address data (AddressNC) referenced below.

CAB Planning Tool

The Office and the NCDIT Center for Geographic Information and Analysis have created the CAB Planning Tool to provide many datasets useful for planning purposes in one place. This online map does not identify all individual locations that may be eligible for the CAB Program but can be used as a foundation to begin planning potential service areas.

- Access the CAB Planning Tool by going to NC OneMap at <https://www.nconemap.gov/pages/broadband>.
 - See the CAB Planning Tool help document linked in the bottom left of the tool for instructions on how to use this planning tool.

- **Downloadable Data Sets/Shapefiles**

The following data sets reflected within the planning tool can be downloaded as shapefiles from [NC OneMap](#) by selecting the 'Data' button on the CAB Planning Tool card:

 - NC Broadband Block Summary – This data summarizes the FCC Form 477 Data by census block to list the available technologies/speeds, number of providers, number of unserved broadband surveys, and other pertinent data. Using the [Speed Tier] field, the data can be used to identify:
 - Census blocks with less than 25:3 Mbps, based on the FCC Form 477 Data (entire blocks)
 - Census blocks with less than 100:20 Mbps, based on the FCC Form 477 Data (entire blocks)
 - NC Broadband Survey Data
 - CAB Ineligible or Protected Areas
 - Past State and Federal Grant Award Areas

The downloadable datasets are described further below. Additional detail on methodologies can be found in the mapping tool itself. Some datasets within the mapping tool may receive periodic updates. An explanation of any updates will be included in the methodology:

- **NC_Fixed_Dec2020_BlockSummary_v2:**

Broadband availability data is collected twice per year by the Federal Communications Commission (FCC) from providers of facilities-based broadband services through their Form 477 data submissions. This data is granular to the census block level. If one household within a census block is shown as being served, the full census block is reflected as being a served block. This block summary dataset aggregates the Form 477 data to summarize by census block the number of providers in the block, the available technologies, the speed tier (less than 25:3 Mbps, less than 100:20 Mbps, etc.), and the number of unserved community surveys received in each block. The below subsets can be viewed by downloading and symbolizing/filtering this data by the [Speed_Tier]:

 - **FCC Form 477 Data Census blocks with less than 25:3 Mbps (entire blocks):**

Census blocks that are entirely unserved with technologies that lack capabilities to serve locations at 25 Mbps download and 3 Mbps upload, or with advertised speeds below that threshold, can be identified through the FCC Form 477 data. These unserved census blocks have been mapped by the Office using the latest FCC data (December 2020) and are available within the CAB Planning Tool and for download for grant planning purposes.

- **FCC Form 477 Data Census blocks with less than 100:20 Mbps (entire blocks):**
Census blocks that are entirely underserved with technologies that lack capabilities to serve locations at 100 Mbps download and 20 Mbps upload, or with advertised speeds below that threshold, can be identified through the FCC Form 477 data. These underserved census blocks have been mapped by BIO using the latest FCC data (December 2020) and are available within the CAB Planning Tool and for download for grant planning purposes.

- **N.C. Broadband Survey Data**

The N.C. Broadband Survey has been a collaboration between the Office and the Friday Institute for Educational Innovation at N.C. State University to gather information on locations without adequate internet access and speeds in the state. The survey, combined with a speed test, focuses on broadband access at a particular location. Respondents can report on one of the following locations: Home, Business, or Farm. Full survey results are available on [NC OneMap](#). Results indicating unserved locations have been compiled and are reflected within the CAB Planning Tool.

- **CAB Ineligible or Protected Areas**

This layer includes multiple data sources. It includes areas that are ineligible due to:

- Protected areas ineligible due to other broadband funding awards or
- GREAT Grant Awards.

Counties that are ineligible due to expending federal dollars on broadband infrastructure projects outside of the GREAT Grant and CAB Programs are not reflected in this layer.

While the Office cannot provide a listing of all household or business locations within the state that are unserved or underserved and eligible for CAB Program deployments, the Office encourages applicants to utilize datasets within the CAB Planning Tool as a starting point for identifying potential project areas.

Additional Unserved and Underserved Locations

In determining eligible locations, counties may choose to utilize other sources of data, such as internal data, online data from other providers and field data, as part of their planning work to identify unserved or underserved households or business locations outside of the fully unserved census blocks provided. Any data submitted for consideration should be relevant to the proposed service area. Data points must be tied to specific locations and should be geo-coded utilizing the AddressNC Dataset.

Protest Process

The CAB Program also relies on a protest process to provide additional verification of eligible locations by receiving feedback from relevant service providers. See additional details in [Section 3](#).

3. PROTESTS OF PROJECT AREAS

A. The Protest Process

The legislation for the CAB Program includes requirements for the posting of project areas to allow for potential protests of eligible areas. Broadband service providers will be able to indicate that a location in a proposed project area is currently served. Following a protest, locations identified as served may be removed from the project(s) through an adjustment in the scope of work.

As referenced in the CAB Program legislation, the protest process will be carried out in accordance with G.S.143B-1373(e):

Applications shall be made publicly available by posting on the Office's website for a period of at least 20 days prior to award. During the 20-day period, any interested party may submit comments to the secretary concerning any pending application. A broadband service provider currently providing broadband service in a project area proposed in an application may submit a protest of any application on the grounds the proposed project covers an area that is a protected area under the Ineligible Areas [Section 2](#) or that the proposed project area contains 10 percent or more of total households with access to broadband service, as defined within the program. Protests shall be submitted in writing with all credible and relevant supporting documentation, including specific addresses and detailed mapping that demonstrate the protesting broadband provider has installed infrastructure sufficient to provide broadband service to the specific addresses provided in the protest and an attestation that broadband service is available to the exterior of the structure at the specific addresses indicated.

The protest shall be considered by the Office in connection with the review of the application. Upon submission of evidence satisfactory to the Office that the proposed project area includes a protected area or prospective broadband recipients that are presently served, as measured using a methodology satisfactory to the Office, the Office may work with an applicant to amend an application to reduce the number of unserved prospective broadband recipients in the project area to reflect an accurate level of current broadband service. The Office may revise application scores in accordance with amended applications. However, the Office may reject any amended application resulting in a lower application score to the extent that the lower score would have impacted the ranking of the application in the initial scoring process. For applications with filed protests, the NCDIT secretary shall issue a written decision to the protesting party at least 15 days prior to the approval of that application. Following a protest that is granted for a portion of the application, the Office may release to an applicant the locations or areas declared ineligible.

The information released to the applicant is not a public record, as that term is defined under N.C.G.S. 132-1 and shall remain confidential. Any provider submitting a protest shall verify that the information in the protest is accurate and that the protest is submitted in good faith. The Office may deny any protest or application that contains inaccurate information. As a means of resolving a protest, the Office may utilize speed tests to determine if the protested area or individual households or businesses currently have access to broadband service as defined within the program. NCDIT shall publish the speed test methodology it uses to assess speed levels pursuant to this process. All decisions regarding the speed test to be utilized and the manner by which the speed tests are applied shall be made by the NCDIT secretary or the secretary's designee.

Additional information on the specifics of the protest process will be released in Part II of the Guidance document, which will focus on the program implementation.

4. COUNTY APPLICATIONS & COMPETITIVE BIDS

In collaboration with the Office, a county that wishes to participate in the CAB Program may request funding for either:

- a defined eligible project area that is mutually identified by the county and the Office or
- a GREAT Grant project that was not awarded a grant in the [2021-2022 GREAT Grant Program](#).

A. Funding of Unfunded Eligible GREAT Grant Projects

For the 2021-2022 GREAT Grant Program, applications received by the Office in May 2022 exceed the demand of the \$350 million available for funding. Once the Office has completed review of the GREAT applications (including vetting for eligibility, completeness, eligible areas including the protest process, and scoring), projects with the highest scores will be funded utilizing the \$350 million available. Eligible GREAT Grant projects that are not funded due to lack of available funding may be considered for funding under the CAB Program.

Once the GREAT Grant awards have been finalized, the Office will make available a list of the unfunded eligible projects. Because these projects will have been part of a competitive grants process, have passed eligibility requirements for the GREAT Grant Program, have been vetted for eligible areas, and have been part of a protest process for eligible locations, the remaining viable projects may be considered under the CAB Program. (Some of these unfunded projects may be ineligible for consideration because of duplication with funded GREAT Grant projects, making the remaining project infeasible.)

Based on the eligible projects list, counties will then be able to determine whether they wish to fund an unfunded GREAT Grant project or move forward with a new competitive process under the CAB Program. If a county wishes to fund an unfunded GREAT Grant project, the matching fund requirements will be calculated based on the total project cost and the matching requirements under the CAB Program.

B. Mutually Identified Projects

For projects other than unfunded eligible GREAT Grant projects, counties will work with the Office to mutually identify eligible project areas and develop the scope of work for the deployment of broadband infrastructure in targeted project areas.

NCDIT will develop competitive bid processes for the procurement of construction, installation, and operation of broadband infrastructure, in partnership with each interested county. The Office will utilize customizable forms and procedures developed by NCDIT for these competitive bids.

5. EVALUATION CRITERIA

A. Unfunded Eligible GREAT Grant Projects

The scoring metrics utilized for the GREAT Grant Program will serve as the evaluation criteria for utilization of CAB Program funds for unfunded eligible GREAT Grant Projects. **Note: Matching requirements will follow the CAB guidance.**

B. Mutually Identified Projects

For mutually identified projects, the Office will develop required evaluation criteria that meet the requirements of the State legislation and federal funding sources with input from counties. Based on State and federal legislation tied to the CAB Program, evaluation criteria will include the

following types of components:

- Number of unserved and underserved locations within the county
 - Locations may include, for example, households, businesses, community anchor institutions, or agricultural operations
- Speed thresholds for service
- Data capacity
- Cost per location and total project cost

In line with priorities under the federal funding rules, investments in fiber may receive priority within the evaluation criteria for any CAB projects, and projects and technologies that demonstrate the concept of broadband service being “reliably” provided may receive priority.

Within the bid documents, counties may choose to prioritize different criteria based on the goals of the county, such as a focus on particular eligible project areas. Projects will be encouraged to consider affordability and to address additional digital equity metrics in terms of goals and prioritization.

The State will utilize a Best Value Procurement process, with the selection of a broadband provider offering the best trade-off between price and performance, where quality is considered an integral performance factor. Award decisions will be based on multiple factors such as: total cost; the evaluated technical merit of the vendor's proposal; the vendor's past performance; and the evaluated probability of performing the requirements stated in the solicitation on time, with high quality, and in a manner that accomplishes the stated business objectives and maintains industry standards compliance.